Hungary: E-Health Market

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Summary

Health Information Technology (HIT) is defined as information and communication technologies allowing healthcare providers to collect, store, retrieve and transfer information electronically. The European Commission's 2007 e-Health Task Force Report estimates the worldwide sales potential for E-Health solutions between EUR 60-70 billion yearly. In 2006, the European E-Health market was estimated at EUR 21 billion. Hungary spends 5.5 percent of its GDP on public healthcare representing about USD 8.4 billion. As far as E-Health is concerned, Hungary as an EU member state is working on introducing interoperable solutions already in use or to be implemented in other member states. Considerable European Union funds are available to develop the IT infrastructure in hospitals, outpatient clinics, emergency care to facilitate the introduction of e-Health solutions. Best prospects include The E-Health Card" project that will require the supply of about 40,000 card readers, card management system, card application and authentication solutions etc. and the "Electronic authentication database and healthcare portal" project requiring security and authentication SW solutions, secure and scalable database, portal solutions (SW).

Market Overview

In Hungary the majority (66%) of public hospitals and clinics are owned by local governments, 9% are state and university institutions, and 16% are foundations or church-owned healthcare institutions. The rate of private institutions is 7%, though this covers only 0.2% of the total number of beds. The recurrent and operational costs of public hospitals are financed by the Health Insurance Fund through contracts with the National Health Insurance Fund Administration (OEP). Capital expenditures are funded by the maintaining entities. The majority of local government and state hospitals function as budgetary institutions. Their financial management is limited by a fixed budget and they may not take loans or draw external capital. (Source: National Institute for Strategic Health Research)

As a result of the existing financing scheme, so far limited funds have been available for IT developments. In the framework of the National Development Plan, however, European Funds are allocated to various healthcare expenditures including specific IT related projects. Within the Social Infrastructure Operative Program (TIOP) the "Electronic authentication database and healthcare portal" project (TIOP 2.3.2 funded 100 % by the EU) HUF 1.6 billion (USD 8.2 million) is allocated to develop and connect databases necessary for the operation of the e-Health Card. Tenders for the supply of hardware and software are expected to be issued in the second half of 2010 by OEP. Another program (TIOP 2.3.3, 90 % EU funding) allocates HUF 3 billion (USD 15.5 million) to install inter-institutional healthcare IT infrastructure to facilitate the access of electronic patient records. The project is under preparation, a consortium of hospitals may apply for funds at the National Development Agency http://www.nfu.hu/?lang=en from the end of 2010 onward.

Some other programs allocating funds for the development of 8 regional hospitals and outpatients clinics are allowed to spend funds not only for construction works and the procurement of medical equipment but also on Integrated Healthcare IT Systems, ERP systems, and telemedicine.

E-Healthcard

In Hungary, the first generation Health Insurance Cards (TAJ card) were distributed during 1990-1992. Currently all of the about 10 million Hungarian citizens have a paper based Health Insurance Card issued by the National Health Insurance Fund Administration (OEP).

The government has been working on the concept of the e-Health Card for many years and in 2008 a government decree (1079/2008) was issued for the introduction of an electronic health card. Total project costs (without operational costs) were estimated to reach HUF 17.5 billion (about USD 97 million). A pilot project was planned for the introduction of the card in Budapest and Pest counties in 2010, but the project was cancelled. In 2006 the National Health Insurance Fund carried out a test program in three counties involving 9 General Practitioners, 16,000 patients, pharmacies, outpatient clinics and hospitals, but the successful program was not continued. As the current project will be financed from different sources, mainly from European Union funds managed by the National Development Agency, coordination of securing funds and data protection issues cause delays in the project.

According to the plans, one side of the e-Health Card would be similar to that of the one used in the European Union and could serve as a European Health Insurance Card. It would contain the name of the cardholder, his/her National Social Insurance Identification Number (TAJ), his/her Health Insurance Fund ID, Identification Number of the Health Fund, and expiry date. On the other side of the card a chip would contain the coded TAJ number, electronic signature, card number and expiry. The E-Health Card would be handled by a terminal. A Health Professional Card (HPC) will be used to authenticate read/write access.

Later on further data could be added to the card at the request of the card holder:
- In an e-Prescription system, prescriptions of the patient
- Emergency data (blood type, allergies, blood pressure etc)
- Electronic medical records.

Electronic Health Records (EHR)

There are isolated solutions in hospitals and outpatient clinics. A pilot project was completed during 2006-2007 from European funds in three regions: South Transdanubia, North-Great Plain and North-Hungary involving 38 hospitals and outpatient clinics as well as General Practitioners. The project connects the existing Hospital Information Systems (HIS) via a secure intranet solution (https://portal.kezelnet.hu/portal/page/portal/hefop). The so called inter-institutional healthcare information system (IKIR) was completed by British Telecom using HP Hungary and Answare Co.Ltd. http://www.answare.hu/index.php?lang=en as subcontractors.
TIOP 2.3.3 program (see above) would facilitate the enlargement of the existing IKIR system.

Mobility of patients and health professionals requires the definition of interoperability standards for EHRs. Hungary is coordinating with the EU concerning the preferred usage of the following options:
- EHR based on a personal data storage medium
- Patient-life route archived paradigm
- Divided system paradigm

Telemedicine

The National Technology Program funded the EHealth8 Project http://ehealth8.bzlogi.hu/ started by a consortium led by Answare Co. Ltd. (including Humansoft Ltd, Bay Zoltan Foundation for Applied Research, Semmelweis Medical University, Thormed Research & Development, Medical Instrument Production Ltd.) in 2008. The 3-year program aims at developing the prototype of a telemedicine service system establishing at the same time a system platform of telemedicine standards, instruments and

processes. The system could be used as a regional unit of the Inter-institutional Information System (IKIR) developed in 38 healthcare institutions (see paragraph on Electronic Health Records)

The Hungarian health administration would welcome private investments in telediagnosis (especially in radiology and pathology, where there is already a shortage of doctors) and also in telemonitoring. There are some examples for tele-cardiology and home care. For example, International Medical Services provides a transtelephonic ECG system in 5 locations. http://www.imskft.hu/transecg.html

Euromedics (http://www.euromedic-group.com/index.php?content=teleradiology), a Dutch healthcare service provider delivers telemedicine solutions in radiology where there is a shortage of radiologists. Teleradiology services are also provided in the Diagnostics Center in Pecs www.neuroct.hu

Hospital Information Systems (HIS)

The HIS market is dominated by six Hungarian companies. The market leaders, ISH, Meditcom and GlobeNet (see Key Suppliers) cover two-third of the market. Sales revenues of ISH Kft. reached HUF 3 billion (USD 18 million) in 2008. The company is present in about 50 hospitals including four university clinics. The company was acquired by Magyar Telecom http://www.telekom.hu/main in May, 2009, Other major players in the market include Hospitaly Kt., Synergon Nyrt and SkyLine Kft. So far international HIS providers were not successful in selling to Hungarian hospitals.

Best Prospects

- The “E-Health Card” project will require the supply of about 40,000 card readers, a card management system, card application and authentication solutions, and other related equipment.
- The “electronic authentication database and healthcare portal” project will require security and authentication SW solutions, secure and scalable database, portal solutions (SW).

End Users

The E-Health Card will connect 10 million people with ~6,800 General Practitioners, 3,200 pharmacies, 160 hospitals and 450 outpatient clinics. This will be a good opportunity to establish patient related services such as disease management, disease surveillance, etc.

One of the most popular internet platforms for health-oriented consumers is the “Dr.Info” health portal http://drinfo.eum.hu/drinfo/pid/0/sitemap providing health care information for citizens including availability of health care providers, information about medicines, quality indicators of hospitals, information about lab tests, etc.

Competition/Key Suppliers

Agfa Egészségügyi Magyarország Kft. /Agfa Healthcare Hungary
http://www.agfa.com/en/he/solutions/hospital_wide/information/index.jsp
Focus: IT systems and software, picture managing solutions
Supplies: Picture Archiving and Communications (PACS) systems

Cisco Systems Hungary
http://www.cisco.com/web/HU/termekek_es_megoldasok/index_u.html
Focus: IT systems and software, networked operations within health care
Supplies: networking, security, VPN, Health Presence

Globenet Zrt.
Focus: Integrated Hospital Information solutions
Supplies: MedWorks, applications development, system integration

International Systems House (ISH) Informatika Kft.
http://www.ish.hu/index.php?action=change_lang&lang_id=1
Focus: Integrated Hospital Information solutions, system integration in hospitals, operation of complete hospital IT systems
Supplies: MedSolution (bought from IBM), applications development

InterSystems Corp., Cambridge, MA
http://www.intersystems.com/healthshare/index.html
Focus: premier platform for connected healthcare
Supplies: "HealthShare" health information exchange platform, "TrakCare" connected healthcare information system, "Cache" object database, "Ensemble" rapid integration & development platform

Meditcom Co.Ltd.
http://www.meditcom.hu/meditcom/meditcom.main.page
Focus: Integrated Hospital Information Systems
Supplies: HIS, software development, installation, system integration

Hospitaly Kft.
http://www.hospitaly.hu/page/index.php?lang=en
Focus: Integrated Healthcare Information Systems
Supplies: HIS, Hospitaly Private, Hospitaly WEBGP, HospiPharma, medMatrix

Oracle Hungary
http://www.oracle.com/global/hu/index.html
Focus: IT systems and software;
Supplies: core technology (database, middleware), security, interoperability, business intelligence, business applications (ERP)

Siemens Zrt.
http://www.siemens.hu/index.php?n=116
Focus: energy production and management, automation, control, healthcare
Supplies: Radiology Information systems, Picture Archiving and Communication Systems (PACS)

Synergon Nyrt.
http://www.synergon.hu/en/solutions/sector_spec_solutions/healthcare/healthcare.html
Focus: system integration,
Supplies: Hospital Information Systems

WebLib
http://www.weblib.com/products/healthmash
Focus: developing search tools
Supplies: HealthMash Medical Knowledge Base and Search Engine

Market Access

U.S . suppliers of E-Health products that are interested in entering the Hungarian market are expected to make sure that their products are localized i.e. software, manuals, training materials, etc. must be in Hungarian. Installation, operation and maintenance as well as after sales service require a local presence or well-established distribution partner.

Trade Events

None in Hungary, but the major European Shows with e-Health focus are:

MEDICA
World forum for Medicine and International Trade Fair with Congress.
Date: 17-20 November 2010
Venue: Dusseldorf, Germany
http://www.medica-tradefair.com/

World of Health IT, Conference and Exhibition
Date: 15-18 March, 2010
Venue: Barcelona, Spain
(http://www.worldofhealthit.org/, European chapter of the US HIMSS conference)

Trade Media

Medical Tribune Hungary
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For More Information

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